

HUMAN SERVICES DEPARTMENT[441]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code section 234.6(4), the Department of Human Services proposes to amend Chapter 65, “Food Assistance Program Administration,” Iowa Administrative Code.

The proposed amendments change the methodology for determining the annual changes to the standard utility allowance amounts that are given as income deductions in the Food Assistance Program. The United States Department of Agriculture Food and Nutrition Service (FNS) allows states to adjust these amounts annually based on a methodology approved by FNS. When the Department submitted its request for the October 1, 2009, adjustment, FNS approved the change but informed the Department that the current methodology would not be accepted for future years.

FNS has stated that a standardized methodology for utility allowances is being developed for consistency nationwide. That methodology has not yet been released, so these amendments do not contain details of how these changes will be made. The Department anticipates that the federal methodology will be released in time for adjustments on October 1, 2010, and that Iowa will be required to apply it. Rules may be adjusted when details become available. In general, Food Assistance policies are adopted by reference to federal regulations, so the need for rule making is determined by what options are available to the state.

These amendments do not provide for waivers in specified situations because the allowances must be approved by FNS, and the Department has no authority to waive them. Food Assistance benefits are entirely federally funded.

Any interested person may make written comments on the proposed amendments on or before June 8, 2010. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114. Comments may be sent by fax to (515)281-4980 or by E-mail to policyanalysis@dhs.state.ia.us.

These amendments are intended to implement Iowa Code section 234.12.

The following amendments are proposed.

ITEM 1. Amend subrule 65.8(1) as follows:

65.8(1) *Standard allowance for households with heating or air-conditioning expenses.* When a household is receiving heating or air-conditioning service for which it is required to pay all or part of the expense or receives assistance under the Low-Income Home Energy Assistance Act (LIHEAA) of 1981, the heating or air-conditioning standard shall be allowed.

a. The standard allowance for utilities which include heating or air-conditioning costs is \$276 effective March 1, 2005.

b. ~~This allowance shall change annually effective each October 1 using the percent increase reported in the consumer price index monthly periodical for January for fuels and other utilities for the average percent increases for the prior year for all urban consumers United States city average a methodology approved by the Food and Nutrition Service of the United States Department of Agriculture.~~

~~(1) Any numeral after the second digit following the decimal point will be dropped in this calculation.~~

~~(2) Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.~~

~~(3) The cent amount will be included when calculating the next year’s increase.~~

(4) *b.* Effective October 1, 2007, two dollars will be subtracted from this amount to allow for cost neutrality necessary for the standard medical expense deduction. Effective October 1, 2008, an additional two dollars, for a total of four dollars, will be subtracted from this amount to achieve continued cost neutrality.

ITEM 2. Amend subrule 65.8(3) as follows:

65.8(3) Telephone standard. When a household is receiving a standard utility allowance under subrule 65.8(1) or 65.8(5) or is solely responsible for telephone expenses, a standard allowance shall be allowed.

a. ~~This standard shall be \$36 effective March 1, 2005.~~

b. This allowance shall change annually effective each October 1 using ~~the percent increase reported in the consumer price index monthly periodical for January for telephone service for the average percent increases for the prior year for all urban consumers United States city average~~ a methodology approved by the Food and Nutrition Service of the United States Department of Agriculture.

(1) ~~Any numeral after the second digit following the decimal point will be dropped in this calculation.~~

(2) ~~Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.~~

(3) ~~The cent amount will be included when calculating the next year's increase.~~

ITEM 3. Amend subrule 65.8(5) as follows:

65.8(5) Standard allowance for households without heating or air-conditioning expenses. When a household is receiving some utility service other than heating or air-conditioning for which it is responsible to pay all or part of the expense, the nonheating or air-conditioning standard shall be allowed. These utility expenses cannot be solely for telephone.

a. ~~This standard is \$103 effective August 1, 1991.~~

b. ~~Beginning October 1, 1992, this~~ This allowance shall change annually effective each October 1 using ~~the percent increase reported in the consumer price index monthly periodical for January for electric service for the average percent increases for the prior year for all urban consumers United States city average~~ a methodology approved by the Food and Nutrition Service of the United States Department of Agriculture.

(1) ~~Any numeral after the second digit following the decimal point will be dropped in this calculation.~~

(2) ~~Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.~~

(3) ~~The cent amount will be included when calculating the next year's increase.~~

(4) *b.* Effective October 1, 2007, two dollars will be subtracted from this amount to allow for cost neutrality necessary for the standard medical expense deduction. Effective October 1, 2008, an additional two dollars, for a total of four dollars, will be subtracted from this amount to achieve continued cost neutrality.